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## OFFICE OF THE AUDITOR-IN-CHIEF

### FUNCTIONS AND ACTIVITIES

The following material gives effect to reorganization of the Office of the Auditor-in-Chief recommended by the Management Staff which is in process of official Agency approval. The office has been operating on the reorganized basis since August 1954.

#### Auditor-in-Chief

1. The provisions of Section 10 of the Central Intelligence Agency Act of 1949 (63 Stat. 208) grants extraordinary authority to the Agency for the expenditure of public funds. Large portions of the Headquarters activities of the Agency, although highly classified, can be audited securely in conformance with normal Government procedures. For the support of strictly covert operations and for extraordinary or emergency requirements Agency funds are expended under the authority of the CIA Act of 1949 which makes the certification of the Director of Central Intelligence a final accounting to all outside agencies. This permits the Agency to conduct the final audit of confidential funds in accordance with Agency Regulation [redacted] The mission, functions, authority, and responsibilities of the Auditor-in-Chief in auditing CIA funds and property are outlined in Agency Regulations [redacted] dated 10 August 1954 and [redacted] dated 3 August 1954.

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2. The Auditor-in-Chief is responsible for the audit of all matters relating to the receipt, disbursement, and application of funds and assets available to the Agency, and for the review of financial and property accounting policies, procedures, practices and activities to determine that suitable controls are established to assure a proper accounting for all Agency assets.

3. The Auditor-in-Chief reports to the Director any activities of the Agency which he finds as a result of his authorized audit activities to be, in his opinion, uneconomical, inefficient, or improper and to recommend to the Director and/or the appropriate responsible official(s) changes in the interest of efficiency and protection of Government funds and property.

4. The Auditor-in-Chief serves the same purpose for this Agency with respect to confidential funds that the General Accounting Office serves for other Government agencies. Audits made by the Auditor-in-Chief of confidential funds are final. There is no further review by outside sources.

5. The Auditor-in-Chief uses the "spot check" or selective test check technique and, depending on the results of that technique, may find it necessary to make detailed checks covering every transaction. With respect to

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expenditures, he conducts a post audit, i.e., audit after payment. The Comptroller has responsibility for the examination of claims before payment.

6. The Auditor-in-Chief is required to make at least an annual audit of all accounts of the Agency.

7. Under the direction of the Auditor-in-Chief are the Headquarters Audit Division and the Field Audit Units. The latter units are carried on the respective area division's overseas table of organization and are included 25X1 in the budgets of these divisions.

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